



## **CGIAR Consortium 2013 Reflections and 2014 Outlook: A Mid-Term Review for the New Billion \$ CGIAR**

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This is my second time reflecting on the CGIAR Consortium's annual achievements, and on the challenges facing us in the year ahead.

### **Looking back on 2013, the year CGIAR doubled its funding to \$1 Billion**

Towards the end of 2013 we announced that CGIAR's funding had doubled from 500 million USD in 2008 to 1 billion USD in 2013 (see [here](#)). When IFPRI's analysis in 2009 concluded that global food security investments in publicly funded agricultural research for development needed to double by 2013, few of CGIAR's stakeholders believed this was a realistic target. We are therefore very grateful to our investors, and particularly staff members of donor agencies that liaise with CGIAR, for all their hard work in making this doubling of funding for agricultural research for development possible.

In the doubling of funding announcement, we mentioned that the increased funding could contribute to lifting 150 million people in Asia out of poverty by boosting rice production, provide 12 million African households with sustainable irrigation, save 1.7 million hectares of forest from destruction, and give 50 million poor people access to highly nutritious food crops. Such impacts at scale are indeed fine examples of our new focus on development outcomes. Today's successes with [drought tolerant maize](#), [scuba rice](#), and [orange fleshed sweet potato](#) as well as successes in contributing to policy changes at the international level through the launch (by the UN and two Houses of Parliament) and roll out in 19 countries of the Women's Empowerment in Agriculture Index (to measure progress toward gender equity); and the work on climate change adaptation and mitigation integrated in the NAMA (Nationally Appropriate Mitigation Actions) of the UNFCCC and implemented, for now, in 5 countries, demonstrate that CGIAR innovations can indeed be adopted and have an impact on millions of farmers and food-insecure people. The [2012 CGIAR Annual Report](#) identifies many more examples of CGIAR's impact on development.

The shift in focus from research results as 'an end in themselves' to 'accountability for the contribution of research results to development outcomes' (achieved through partnerships we develop and foster) put in place through the CGIAR reform is still relatively new. The first CGIAR Strategy and Results Framework, and the first generation of CGIAR Research Programs (CRPs) did not put in place a quantitative accountability framework that enabled assessment of the overall outcomes achieved by the portfolio, nor did they allow for the assessment of progress made and value for money of a specific CRP. During 2013 the CGIAR science leaders, CRP leaders and Center research Deputy Director Generals, worked with Consortium Office staff to put much thought into the development of representative Intermediate Development Outcomes (IDOs) at both CGIAR system and CRP level.

These development outcomes, together with associated indicators and targets, will form the heart of a new, largely quantitative, accountability framework for CGIAR. This new framework will also take into consideration the qualitative dimensions of our work, where relevant. The second generation of CRPs (new programs as well as second stages of current programs) will be developed against this new accountability framework. This will enable the Consortium to fully implement results-based management.

A key step in the development of these new sets of IDOs for each of the CRPs was a series of meetings in June, where CRPs presented their latest thinking on their Theory of Change, Impact Pathways, and IDOs to a group of partners and donors. The documents and reflections on these meetings are available online [here](#). The final iteration of the CRP documents at the end of 2013 can be found [here](#). The results of this work in 2013 were put into two key draft documents, the draft [Strategy and Results Framework Management Update](#) and the draft [Guidance for the CRP 2<sup>nd</sup> Call](#), which were released online at the end of the year for public consultation with all CGIAR stakeholders and partners. Both of these documents are intended to be key vehicles through which the lessons learned from the first generation of the SRF and CRP portfolio can help improve the quality and impact of the next generation of CRPs.

Overall, I am very pleased with the progress made on the development of IDOs at the system and program level – particularly with the emergence of a dozen [common IDOs](#) that will be used across the CRPs and will form the heart of the accountability framework at the program level. I had hoped that more progress would have been made in the development of indicators and targets to measure these common IDOs, and that CRPs would have made more progress developing cost estimates for the IDOs, so that we would begin to get a handle on “value for money” explicitly and transparently. That remains to be further developed in 2014. Another important development was the release of the new draft [UN Sustainable Development Goals](#) (SDG). It would appear both possible and desirable for CGIAR to link IDOs at system level directly to the relevant SDG targets and indicators, and that is what is now planned.

Another major result achieved in 2013 was that we reached agreement on the process to extend and renew the CRP portfolio. The first generation of CRPs was developed individually, one by one, over a period of several years in a staggered fashion. As a result we are aware there are gaps and overlaps, and potential linkages were not always developed optimally. The CGIAR Consortium proposed to develop the second generation of CRPs in a synchronized fashion, with all programs developing proposals at the same time, which was, by the end of the year, agreed to by all stakeholders. The second round of investments in the CRP portfolio will be developed in two steps, as follows:

1. **Extension and Refresh.** The current 15 CRPs will all be extended, and “refreshed” (i.e. updated to take advantage of lessons learned) to the end of 2016, and thereby also synchronized in their end-of-contract dates. The Extension Proposal process as approved by the Consortium Board (CB) can be found [here](#). Extension proposals will be developed, reviewed and approved during 2014, with funding put in place for 2015-2016.

- 2. CRP 2<sup>nd</sup> Call.** A call for pre-proposals will be issued to all current CRPs by the end of 2014. Pre-proposals will be developed, reviewed and decisions will be taken on the invitations to develop full proposals in 2015. Full proposals will be developed and reviewed and decisions will be taken on new contracts in 2016, putting funding in place for at least 2017-2019. In addition to asking all current 15 CRPs to submit pre-proposals (not all necessarily leading to approval for a second phase) there may be a separate process to invite a, probably small, number of new proposals to be developed for additional CRPs, complementing the current portfolio.

The CGIAR Fund Council (FC) also decided in 2013 to commission a Mid-Term Review of the CGIAR Reform (MTR). The MTR panel has been established and will meet for the first time in Berlin from 18-20 January. Following on a two-phased external evaluation of CGIAR governance, jointly commissioned by the FC and the CGIAR Consortium in 2013, and an external evaluation of CRP governance and management conducted by the Independent Evaluation Arrangement ([IEA](#)) in 2013, the MTR is intended to review the status of the CGIAR reform, to ensure appropriate measures can be taken, if necessary, before the second round of investments in CRPs takes place. In addition, the Consortium Board and the Fund Council determined that some form of independent, external evaluations should be conducted of each CRP before proposals for a second phase are developed. The IEA will conduct as many of these CRP evaluations as it has capacity to complete. The remaining CRPs will commission their own external evaluation, following IEA guidance.

Both the first and the second phase of the external evaluation of CGIAR governance concluded that the capacity of the Consortium Office has improved significantly, but the office is underfunded and understaffed for the responsibilities assigned to it. The CGIAR members, the Centers, and the Consortium Board agree with the large majority of the recommendations of the review team, but the FC had not yet had a chance to evaluate the recommendations of the second phase governance review by the end of the year and only five of the 63 recommendation have as yet been agreed for implementation. The results of the various evaluations will most likely have a significant impact on the further development of the Guidance for the CRP 2<sup>nd</sup> Call. The preliminary conclusions of the IEA's review of CRP governance and management, for example, indicate that both the CRP steering committees and CRP leaders do not currently have sufficient authority to manage for results. As a result, guidance on CRP governance and management will need to be reconsidered. We look forward to engaging in the various evaluations in 2014.

An important issue for all stakeholders to consider is whether the CRPs should be joint ventures undertaken with shared responsibility of a group of partners, both CGIAR Centers and external partners, or whether the CRP lead Centers should continue to be the main contractors, with all other partners in a sub-contractor role. The way the CRP contracts are currently drawn up, the lead Centers are indeed the main contractors, but I believe the CRPs would be better served by a CRP governance and management structure more resembling a joint venture.

Reflecting on the accomplishments and challenges of the CGIAR Consortium in 2013 the following issues stand out for me:

1. ***CO team grew and delivered.*** In the second half of 2012 new members of the CO senior leadership team were recruited and this new team took on a very significant set of challenges in 2013, while recruiting for ten other vacancies to complete the CO team. By the end of 2013 the CO team had grown from about 20 to about 30 people and is now largely complete for its current design. In 2012 the CO team developed a quantitative score card to assess its performance against, and in 2013 the team put in place a number of baselines and worked against the new system for the first year. We will report more formally on our 2013 progress in Q1 of 2014, but by and large I believe a very large number of our very ambitious goals were indeed achieved.
2. ***CB and CO work together effectively.*** After a period in 2011-12 where the CB was deeply involved in management issues, in 2013 the relationship between the Consortium Office (CO) and the CB was re-structured with the CB focusing on governance and policy and the CO on management and operational issues. I believe there now is a healthy relationship between board and management of the CGIAR Consortium.
3. ***Improved confidence and trust among all stakeholders.*** The first few years of the CGIAR Consortium focused on reform and reorganization and were not easy. Relationships among many of the stakeholders were characterized by lack of trust. While there is still a way to go, I believe that the CB and CO now have much better relations with Center boards and management - and communication all around has much improved. The CGIAR Consortium in 2012-13 also developed a very constructive relationship with the Independent Science and Partnership Council (ISPC) and thanks its outgoing Chair, Ken Cassman, for his very significant contributions to make this possible. In early 2013 the relationship between the CGIAR Consortium and the FC was strained, with a first FC meeting characterized by significant misunderstandings on the roles and responsibilities of these two pillars of the reform. Significant energy to improve this by key stakeholders on both sides has much improved this relationship by the end of 2013 (the November FC meeting).
4. ***Leadership on SRF and CRP 2<sup>nd</sup> Call.*** The CGIAR Consortium drove the process to improve the SRF, to implement the SRF Action Plan, and to improve the quality, coherence and integration of the CRP portfolio, and to put in place a process for investment in the second generation of CRPs through extension and refresh, synchronization, and sequencing. We did put in place a trial results-based management system through 5 CRPs that will implement a pilot RBM in 2014, increasing to a few more pilot CRPs in 2015. This will allow us to draw lessons on the most effective type of RBM for the CRP portfolio, in preparation for the intended portfolio-wide introduction in the CRP second round.

5. **Improved quality and timeliness of all reporting.** Reporting ([CGIAR Financial Report](#), [CGIAR Annual Report](#), [CRP Portfolio Report](#), [CGIAR Intellectual Asset Report](#)) is a key task for the CO. In 2013 we had set a goal to significantly improve quality and improve timeliness with a target date for all reports of May 31. We believe quality was indeed improved significantly and timeliness was improved also, even though the May 31 target was only met for the CRP Portfolio report. In 2014 we will again target all reports to be complete and available by May 31.
6. **Solid progress on gender strategies, assessment & Action Plan.** Interaction with the FC made it very clear that it expects very significant, urgent progress from the CGIAR Consortium and its members with respect to gender sensitive and gender focused research. Initially CGIAR Consortium proposals to provide additional funding to CRPs with an approved gender and research strategy, to accelerate implementation, were rejected by the FC. Rather than additional resources for CRPs with a gender in research strategy, the CGIAR Consortium was encouraged to ensure that all CRPs would make significant progress, or be penalized. Subsequently the CO conducted a review of the CRP portfolio's progress on gender and the CB approved a response that requires CRPs to have an approved gender strategy in place, and show satisfactory implementation of that strategy in their program of work and budget for 2014, in order to receive further funding. In addition, the CGIAR Consortium developed a Gender Action Plan to support and accelerate progress on gender in research across the portfolio that was approved in principle by the FC. The FC also requested the CGIAR Consortium to report at every future FC meeting on a series of gender performance indicators related to both gender in research as well as gender and diversity in the workplace. This will add gender and diversity in the workplace as a new focus for the CGIAR Consortium in 2014.
7. **Developed Open Access Policy & resourced implementation.** A new focus for the CGIAR Consortium in 2013 was the development of an Open Access and Data Management Policy that was approved by the CB and subsequently endorsed by all Centers for mandatory implementation. Open Access implementation guidelines are now being developed. The CGIAR Consortium also developed a concept note for implementation of the Open Access policy that was approved by the FC which requested a full proposal.
8. **Developed Intellectual Asset (IA) Guidelines and first CGIAR IA report.** Following approval of CGIAR IA Principles in 2012, the CGIAR Consortium developed and approved IA Implementation Guidelines and the Centers and the CGIAR Consortium prepared the first CGIAR IA Report. The FC Intellectual Property Group assessed center IA reports and concluded that several Centers were not in full compliance. The FC requested the CGIAR Consortium to step up its oversight role and ensure that in 2014 there is 100% compliance. This will certainly be a priority for the CGIAR Consortium in 2014.

- 9. Overhauled the CGIAR Financial Plan.** Following the FC decision to extend CRPs, Centers and CRPs expressed many concerns regarding the stability and transparency of the CGIAR Financing Plans. Consequently the CGIAR Consortium decided to overhaul the past approach to the CGIAR Financing Plan, putting in place a new multi-year financing plan for 2014-15 that we believe addresses most of the Centers' concerns. The new approach was well received by Centers and the FC. The new approach is not yet a results-based management system which would have been preferable; this needs to wait until we put in place a clear quantitative accountability framework for the second round of CRPs.
- 10. Established a Shared Service Business Plan.** In 2013 the CGIAR Consortium put considerable effort into an exploration of the feasibility and desirability of scaled-up shared back-office services. In addition to putting the shared services already provided by the CGIAR Consortium (related to joint procurement of library subscriptions and IT-related services primarily) on a fee-for-service basis, the CGIAR Consortium also explored joint CGIAR field offices in "hubs" (in Addis and Dhaka), a CGIAR Consortium-wide approach to staff security and joint procurement in a number of areas (particularly lab equipment and supplies and travel). The CO also initiated closer collaboration with AIARC to explore expanded shared insurance services (beyond the current medical insurance).
- 11. Financial policies and shared system.** In 2013 the CGIAR Consortium approved a revised Financial Guideline 5, related to indirect cost recovery, which also makes the use of a time recording system mandatory, and a CGIAR Investment Policy Guideline. Both have been submitted to the FC and, once approved, will become part of the Common Operational Framework (which applies to all CRPs). The One Corporate System (OCS) – the CGIAR's new Enterprise Resource Planning system – went live in 2013 in the first three Centers (WorldFish, CIP and IIRI) and will go live in 6 more Centers and the CO in 2014. One more Center (IITA) has committed to implementing OCS in 2015.

### **Looking ahead at 2014: Extending the CRP Portfolio and Preparing for the 2nd Call.**

The immediate priority for CGIAR in 2014 will be to run the CRP 'extension and refresh' process with the objective to strengthen the portfolio based on lessons learned to date, and put funding in place for all current 16 CRPs until the end of 2016<sup>1</sup>. This also synchronizes the end dates of all current CRP contracts.

A second strategic priority is to prepare for the CRP 2<sup>nd</sup> call, i.e. to prepare for the new round of investments post-2016. A key requirement for that is to update the CGIAR Strategy and Results Framework as laid out in the [SRF Action Plan](#). We now plan to submit the 2014 SRF Management Update to the CB and FC during their Spring 2014 meetings which, in essence, lays out the proposed approach to establish the quantitative accountability framework that will form the basis for priority setting during the CRP 2<sup>nd</sup> Call. Presuming we reach reasonable consensus on this approach through

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<sup>1</sup> The Genebank CRP is the only program already funded through 2016 for which therefore no action is required.

the currently ongoing consultations and the comments and decisions of the CB and FC, we would use the coming year to further develop the indicators and targets - “fill in” the accountability framework, i.e. operationalize the linkages to the SDGs at system level, through engagement with the countries CGIAR works in and determining how CGIAR can contribute to their national targets, as well as develop the targets, indicators and value propositions at program level. The results of this would end up in the 2015 SRF Management Update. The SRF approved in 2011, together with its 2014 and 2015 Updates, would be the basis against which the next round of CRPs is developed.

The second key document is the Guidance for the CRP 2<sup>nd</sup> Call. In this document we are attempting to build on many lessons learned from the first generation of CRPs, particularly a series of evaluations and reviews that is currently ongoing. While this document will not be completed before the MTR’s recommendations are known, so they can be incorporated, my expectation is that the following will be among the key issues dealt with in the final Guidance document.

- **Results based management:** Between the SRF Management Update and the Guidance document, we expect to put in place a clear accountability framework and a results-based management system.
- **Governance and management:** We expect to provide guidance on CRP governance and management, taking into account the conclusions and recommendations of the IEA review of CRP governance and management, as well as the other more general CGIAR governance reviews, CRP audits and CRP evaluations. While not all these conclusions are fully settled and agreed upon, from our reading of the preliminary conclusions, and our own assessment of the current situation, we expect that the governance model for the CRPs may need to be adjusted in the direction of a true joint venture of the key partners that jointly implement a research program, rather than the current arrangement that sets up a single “main contractor” (the lead center) and a series of subcontractors. In other words, the CRP steering committees and CRP leaders need to be enabled and empowered to manage the CRPs for results. This will likely also imply that the position of partners in the governance and management of the CRPs needs to be strengthened, and may well lead to targets for funding to partners.
- **Monitoring, evaluation and impact assessment:** The Guidance will also make a better case for the relationship among a number of complementary but closely related functions that will jointly deliver improved accountability, and aim to generate the evidence of impact at scale, i.e.
  - CRP (self-) reporting of research outputs and development outcomes
  - CO monitoring and verification of CRP reporting, supported by CRP internal audit as necessary, and review by ISPC
  - CRP external evaluation through the IEA, complemented by CRP-commissioned external evaluations
  - Impact assessment to assess the causal relationship between research results and development outcomes and the final development impact we intend to contribute to, both conducted by the CRPs themselves as well as at arm’s length (external) through the ISPC’s Standing Panel on Impact Assessment (SPIA) or externally commissioned.



- **Geographic integration:** As there are countries, or locations, where many CRPs are active we expect that the Guidance will require a clear “site integration” plan that indicates how the CRPs work together and with partners in that location. This would also provide an opportunity to engage with, and respond to the demands of, national and local authorities and local partners in a coordinated manner.

In 2014 we are also expected to make very significant progress on gender in research, as we have committed to in 2013, with all CRPs now equipped with a ‘gender in research’ strategy and expected to demonstrate how they will implement this strategy in their 2014 program of work and budget. We also expect to start implementing the Gender Action Plan the FC approved in principle in their November 2013 meeting. New will be the (separate) focus on gender and diversity in the workplace – an issue the CGIAR Consortium has not taken-up to date. We will make a start through the development of a “gender and diversity in the workplace strategy” that will be ready for CB and FC approval by November 2014. The FC has requested the CGIAR Consortium to report on a set of “gender performance indicators” at every FC meeting, with indicators that relate to both “gender in research” and “gender and diversity in the workplace”.

A continuing focus for the CGIAR Consortium will be to engage with and follow up on a series of governance, CRP and reform related audits and external evaluations. In 2013 the FC and CGIAR Consortium jointly commissioned an external evaluation of CGIAR governance in two stages. The first report was received early in the year and its recommendations have by and large been accepted and implemented, or are being implemented. A key result of this work was a “good governance” framework that the CB and its members agreed to adopt in June 2013. The second stage (PwC) report came out in September. The FC and CGIAR Consortium are expected to see which recommendations both sides agree on and which could be implemented. A number of the recommendations of this second stage governance review are expected to feed into the Mid-Term Review of the Reform (MTR) which the FC has commissioned. The MTR panel will meet for the first time from 18-20 January and we are looking forward to working with the panel.

In addition to these CGIAR system wide reviews there are a number of key audits and reviews that will be completed in 2014 that will contribute to our preparation for the CRP 2<sup>nd</sup> Call. We expect to have the draft report of the IEA external review of CRP Governance and Management later this month. The IEA is also conducting its first CRP external review of the CRP on Forests, Trees and Agroforestry. The Internal Audit Unit (IAU) is conducting its first CRP audit of A4NH, the CRP on Agriculture for Nutrition and Health. These audits and reviews will begin to put in place the internal auditing processes for CRPs conducted by the IAU, reporting to CGIAR Consortium, CRP and Center Boards and management, as well as the external review processes, conducted by the IEA, reporting to the FC. There are many reviews and audits and we have had questions on whether these will all overlap and be a huge burden on CRP scientists and staff. It is clear that there were a number of years, during the reform, when very little evaluation took place. We also still have to develop best practices for audits and reviews of the CRPs as new cross-center programs. So yes, there is a certain back-log to catch up with, and there is a certain investment in setting up new systems that will,



unavoidably, take time and effort. It is worth keeping in mind though that it all starts with having a clear accountability framework at the system level and good program design (theory of change, impact pathway and development outcomes) – we believe that our investments in 2013 to put such a system in place will pay off over time.

After a number of years of internal focus on the CGIAR Reform, there is also increasing demand for CGIAR to open up, reach out, and be represented internationally in fora such as the UN's SDG discussion, or the international fora around climate change and climate-smart agriculture. As the capacity of the CO grows, and more of the internal systems have been put into place, we definitely expect to play an increasing role in representing CGIAR externally. At the same time though, we expect the Centers and CRPs, as well as the other stakeholders in CGIAR, to contribute to a strong representation of CGIAR internationally. One of the PwC governance review recommendations approved by the CGIAR Consortium and the FC was to coordinate among the various entities of CGIAR to ensure CGIAR's brand is well represented, with a coordinated set of messages, at key international events.

### **Key activities and deliverables for the CGIAR Consortium in 2014**

There are also still quite a few internal policies, processes and functions of the new CGIAR that are still being set up, or are maturing and scaling up and out. Without being complete, let me mention just some of the key activities and deliverables for the CGIAR Consortium in 2014.

- **One Corporate System.** 2014 is a critical year for the single ERP system the CGIAR Consortium and its members are rolling out. In 2013 OCS went live in 3 Centers and in 2014 6 more Centers and the CO will follow. With that, two-thirds of the system will share a single harmonized chart of accounts, finance, project management, HR and time recording system. The goal is that this will enable cross-center project management and reporting (not requiring consolidation of spreadsheets!). One more Center has already committed to roll OCS out in 2015 and our 2014 goal is to have two more Centers commit to join in 2015.
- **Financial guidelines and policies:** We expect the new FG5 and Investment Policy Guideline to become part of the Common Operational Framework in 2014, and we plan to develop and approve updates for FG 1, 2 and 6, a new CGIAR- wide Reserves Policy and a Whistleblower Policy.
- **IA Reporting and review of IA Principles.** The CGIAR Consortium and its members aim to work closely with the FC Intellectual Property Group to ensure a smooth IA reporting process in 2014, as well as full compliance with the CGIAR IA Principles. The CGIAR Consortium will also undertake in 2014 a review of the experience with implementing the CGIAR IA Principles.
- **Internal Audit Unit.** A new Director has joined to lead the IAU, Pierre Pradal, who is hosted in the CO in Montpellier. He is expected to be instrumental in the re-development of an effective shared service, working closely with an Audit Oversight Group on which the CB Audit Committee, two Center Audit Committee Chairs and two Center Finance Directors are represented.

- **Shared Services.** In 2013 the CO worked closely with the Centers to determine what the scope is for scaling up and out “shared services” among the Centers – with the objective of either reducing costs and/or increasing the level of services each of the Centers would be able to obtain working individually. We expect to discuss a shared service business plan with the Centers and CB in spring 2014 that lays out the desirability, and a plan, to increase the level of shared services to a significant share of the potential – estimated at some 250 million USD per year.
- **Open Access.** Following the development and approval of the CGIAR Open Access and Data Management Policy in 2013, the focus in 2014 shifts to implementation, both through development and approval of more operational Open Access guidelines and through piloting of Open Access approach for four target CRPs.
- **Collaboration Platform.** The CO, IFPRI and CCAFS are the early implementers of the new CGIAR-wide collaboration platform, Office 365, which will put in place a proper cloud-based infrastructure to support a host of collaboration tools for the CRPs, Centers and partners. The expectation is that we can roll out Office 365 to all CRPs and all Centers by the end of 2014.

For the CGIAR Consortium, 2014 is also a very special year because the construction of our new Headquarter Building in Montpellier will be completed. We plan to officially inaugurate the building on June 2. We also expect the French parliament to ratify the CGIAR Consortium’s headquarter agreement in early 2014. This is the final step needed before the CGIAR Consortium can act completely autonomously and not go through Bioversity, for example, to employ CO staff. Bioversity has been kind enough to act as a host for the CGIAR Consortium until we could stand on our own two feet as an international organization. That also means we will gradually have to develop and implement our own systems, policies and procedures.

All in all we think it is clear that we have a very interesting year ahead of us. The CB and the consolidated CO team look forward to working closely with the Centers, CRPs, the FC, the Fund Office, the ISPC, the IEA and the large number of external partners. Together we will ensure that the new CGIAR is increasingly able to demonstrate increased efficiency and effectiveness in achieving development outcomes at a scale of millions of people benefitting directly from CGIAR’s agricultural research for development.